



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE JONATHAN STEINBERG
136TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 4020
HARTFORD, CT 06106-1591

CAPITOL: 860-240-8585
TOLL FREE: 800-842-8267
HOME: 203-226-6749
E-MAIL: Jonathan.Steinberg@cga.ct.gov

VICE CHAIR
ENERGY AND TECHNOLOGY COMMITTEE
MEMBER
AGING COMMITTEE
TRANSPORTATION COMMITTEE
FINANCE, REVENUE AND BONDING COMMITTEE

Testimony in Support of HB 5432

An Act Expanding Health Insurance Coverage of Specialized Formula for Children with Eosinophilic Disorders

Insurance and Real Estate Committee

February 19, 2013

Senator Crisco, Representative Megna, Senator Kelly, Representative Sampson and members of the Insurance and Real Estate Committee. Thank you for the opportunity to testify in support of HB 5432, a proposed amendment to Title 38a of the general statutes pertaining to insurance coverage of specialized formula for children with a specific digestive disorder.

To put it simply, children suffering from an eosinophilic disorder cannot process regular food. Their only option to obtain needed nutrition is to consume specialized formula, or “medical food.”

The Legislature passed a bill some years ago assuring coverage for the condition, but limited insurance coverage to children up to age twelve. This bill proposes to amend the age limit to age 26, consistent with general insurance coverage criteria for children.

To answer the most obvious question: No, expanding the coverage age does not impose a significant liability on insurance companies. The best information we have suggests that there are only 53 families in the state which have children requiring medical food, with 30 families handled via the “Thrive!” program. That leaves roughly twenty families which may need to access insurance to pay for medical food, hardly a large risk pool!

It’s important to note that all these families are on self-funded insurance plans. Therefore, the coverage risk for such a small number of families under the Affordable Care Act stipulations for state insurance exchanges is negligible.

Why is it important to extend coverage for these twenty-odd families? Because insurance companies charge families about \$120 per can of medical food, while the pharmaceutical companies charge them only about \$40 per can! It's a good way for insurance companies to make a sizable profit! By comparison, \$40 per can looks pretty good until you consider the annual expense involved. Children often consume a can every day, making the annual expense almost \$15,000. These families should not be obliged to pay even this amount. Imagine the cost at \$120/can; an amount approaching \$45,000 a year!

I respectfully ask the committee to consider the relief such an amendment would provide to these families living every day with such challenging circumstances. There will be others testifying before you today far better versed in the medical, technical and financial specifics of this condition, but I'd be glad to answer any questions I can.

Thank you again for your time and consideration.